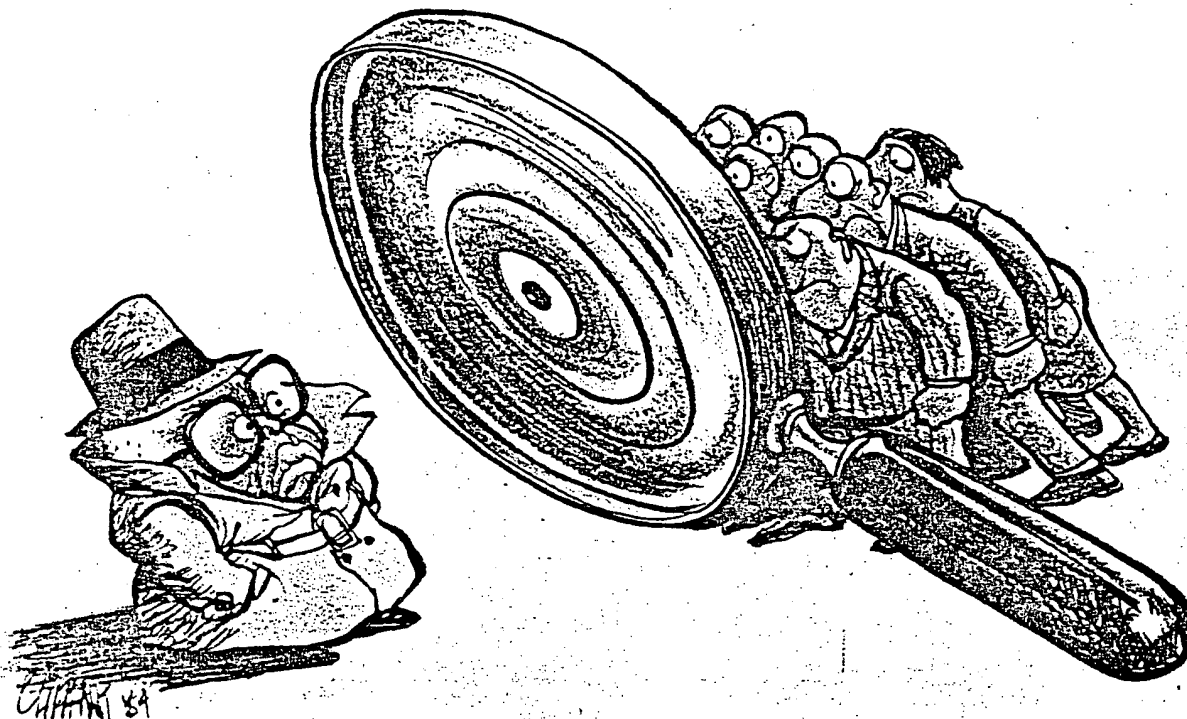


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# No Place Left to Hide?

*In rebuilding the CIA, Casey has made missteps and infuriated Congress*



**B**y most of the usual tests, William J. Casey has amply fulfilled his 1981 pledge to lead the Central Intelligence Agency to "good new days." The decimated spy agency he took over as director at the start of Reagan's term has been fattened by budget increases that not even the Pentagon can match in percentage terms. Staff has multiplied, intelligence collection and analysis have vastly speeded up. Morale has soared as public animosity engendered by the assassination plots and other "dirty tricks" of the 1960s and '70s has faded. The agency is again recruiting on college campuses, where its initials were once regarded as an anagram of evil.

But by another test the agency at times seems to be heading straight back to the bad old days. Once more, relations between the CIA and Congress are being enervated by mutual distrust and anger. Prominent members of both parties charge that Casey not only broke international law by having the CIA mine three Nicaraguan harbors, but flouted the agency's obligation to keep the intelligence committees of Congress "fully and currently" informed of what it was doing. For his part, Casey, in the words of one of his Administration colleagues, "views Con-

gress as a bunch of meddlers, messing around in his business."

Vermont Democrat Patrick Leahy, a member of the Senate Intelligence Committee, warns that support for the CIA is eroding because "many Republicans and Democrats in Congress are saying that they consider Mr. Casey's credibility to be at an alltime low." Storms Minnesota Republican Senator David Durenberger: "There is no use in our meeting with Bill Casey. None of us believe him. The cavalier, almost arrogant fashion in which he has treated us as individuals has turned the whole committee against him." To dramatize his protest that Casey kept the group in the dark about the Nicaragua mining, New York Democrat Daniel Patrick Moynihan vows to resign as vice chairman of the Senate Intelligence Committee.

Some Administration officials are concerned that Casey will never be able to restore enough trust in Congress to win continued funding for the covert operations that are the CIA director's special pride. Indeed, there are whispers around the White House from pragmatists as well as a few hard-liners that the best service Casey could now perform for the CIA would be to quit.

There is little chance that Casey or his boss, Ronald Reagan, will heed or even hear such advice. Casey, who managed Reagan's 1980 campaign, is closer to Reagan than perhaps any previous CIA director has been to his President.

He has become one of the driving forces in setting—as well as carrying out—U.S. policy toward Nicaragua. The Administration asserts that its aim is to harass the Sandinista government until it stops trying to foment Communist revolution throughout Central America. The main instrument for achieving this is CIA training, arming and financing of the *contra* guerrillas who are waging war against the Sandinistas.

Many lawmakers have long been afraid that the CIA backing of the *contras* would drag the U.S. into a war against Nicaragua, and Casey's briefings did not always reassure them. One Senator told TIME last week that the CIA director once went so far as to present a plan for a possible eventual partition of Nicaragua between a Sandinista regime in the west and a *contra*-ruled state in the east. Though the congressional committees cannot veto any CIA activities outright, they can, in Moynihan's words, "push and pull" the agency away from dubious schemes (as

*Continued*